

AMENDED IN SENATE JUNE 16, 2010

AMENDED IN ASSEMBLY MAY 13, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 2788

Introduced by ~~Committee on Revenue and Taxation (Portantino (Chair), Beall, Charles Calderon, Coto, Harkey, Nestande, and Saldana)~~ Assembly Member Portantino

March 9, 2010

~~An act to amend Section 42463 of the Public Resources Code, and to amend Sections 41030, 41031, 41032, 41136.1, 41137, 41137.1, 41138, 41139, 41140, 41141, 41142, 45855, 45863, 45981, and 45982 of the Revenue and Taxation Code, relating to administrative duties. An act to amend Sections 6388.3 and 6388.5 of, and to repeal Section 6388 of, the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 2788, as amended, ~~Committee on Revenue and Taxation Portantino. Transfer of administrative duties. Sales and use taxes: exemptions: vehicles and trailer: use without this state.~~

Existing law exempts from the sales and use tax, the sale of, or the storage, use, or other consumption of new or remanufactured trucks, truck tractors, semitrailers, or trailers, as specified, or new or remanufactured trailer coaches or auxiliary dollies, that are purchased from a dealer located outside this state for use without this state and are delivered to the purchaser within this state, and the purchaser drives or moves the vehicle to any point outside this state within 30 days from

and after the date of delivery, if the purchaser furnishes certain documents to the manufacturer, remanufacturer, or dealer, as specified.

This bill would repeal this exemption. This bill would also make conforming changes to a related provision.

Existing law exempts from the sales and use tax, the sale of, or the storage, use, or other consumption of new or remanufactured trailers or semitrailers, as specified, that are manufactured or remanufactured outside this state and are purchased for use without this state and are delivered to the purchaser within this state, and the purchaser drives or moves the vehicle to any point outside this state within 30 days from and after the date of delivery, and new or remanufactured trailers or semitrailers, as specified, that are manufactured or remanufactured in this state and are purchased for use without this state and are delivered to the purchaser within this state, and the purchaser drives or moves the vehicle to any point outside this state within 75 days from and after the date of delivery, if the purchaser or the purchaser's agent furnishes certain documents to the manufacturer, remanufacturer, or dealer, including, among others, written evidence of an out-of-state license and registration for the vehicle.

This bill would expand the exemption applicable to new or remanufactured trailers or semitrailers manufactured or remanufactured outside this state to include new or remanufactured trucks or truck tractors, or new or remanufactured trailer coaches or auxiliary dollies, and would extend the time the purchaser has to move these vehicles to any point outside this state from and after the date of delivery from 30 to 75 days. This bill would delete the exemption described above for new or remanufactured trailers or semitrailers manufactured or remanufactured in this state for use without this state. This bill would require the purchaser or the purchaser's agent to furnish written evidence of an out-of-state license and registration for the vehicle only when required by another state or an affidavit indicating that the registration is not required.

The Bradley-Burns Uniform Local Sales and Use Tax Law authorizes counties and cities to impose local sales and use taxes in conformity with the Sales and Use Tax Law, and the Transactions and Use Tax Law authorizes districts, as specified, to impose transactions and use taxes in conformity with the Sales and Use Tax Law. Exemptions from state sales and use taxes are incorporated in these laws. Section 2230 of the Revenue and Taxation Code provides that the state will reimburse

counties and cities for revenue losses caused by the enactment of sales and use tax exemptions.

This bill would provide that, notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse local agencies for sales and use tax revenues lost by them pursuant to this bill.

This bill would take effect immediately as a tax levy.

~~Existing law, the Governor's Reorganization Plan No. 1 of 2009, transferred duties of the Division of Telecommunications in the Department of General Services to the office of the State Chief Information Officer, including duties related to implementing revenue generating procedures for the 911 emergency telephone system. Existing law abolished the California Integrated Waste Management Board and transferred specified duties of that board to the Department of Resources Recycling and Recovery, including duties related to electronic waste.~~

~~This bill would make specific conforming changes to reflect the transfer of these duties.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 6388 of the Revenue and Taxation Code
- 2 is repealed.
- 3 ~~6388. Where a new or remanufactured truck, truck tractor,~~
- 4 ~~semitrailer, or trailer, any of which has an unladen weight of 6,000~~
- 5 ~~pounds or more, or a new or remanufactured trailer coach or a new~~
- 6 ~~or remanufactured auxiliary dolly, is purchased from a dealer~~
- 7 ~~located outside this state for use without this state and is delivered~~
- 8 ~~by the manufacturer or remanufacturer to the purchaser within this~~
- 9 ~~state, and the purchaser drives or moves the vehicle from the~~
- 10 ~~manufacturer's or remanufacturer's place of business in this state~~
- 11 ~~to any point outside this state within 30 days from and after the~~
- 12 ~~date of the delivery, there are exempted from the taxes imposed~~
- 13 ~~by this part the gross receipts from the sale of and the storage, use~~
- 14 ~~or other consumption of the vehicle within the state, if the~~
- 15 ~~purchaser furnishes the following to the manufacturer or~~
- 16 ~~remanufacturer:~~
- 17 ~~(a) Written evidence of an out-of-state registration for the~~
- 18 ~~vehicle.~~

1 ~~(b) The purchaser's affidavit attesting that he or she is not a~~
2 ~~resident of California and that he or she purchased the vehicle from~~
3 ~~a dealer at a specified location without the state for use outside~~
4 ~~this state.~~

5 ~~(c) The purchaser's affidavit that the vehicle has been moved~~
6 ~~or driven to a point outside this state within 30 days of the date of~~
7 ~~the delivery of the vehicle to him or her.~~

8 *SEC. 2. Section 6388.3 of the Revenue and Taxation Code is*
9 ~~amended to read:~~

10 6388.3. The State Board of Equalization shall prepare and
11 distribute a standard form or forms for the purchaser affidavit
12 required by ~~Sections 6388 and~~ Section 6388.5.

13 *SEC. 3. Section 6388.5 of the Revenue and Taxation Code is*
14 ~~amended to read:~~

15 ~~6388.5. Notwithstanding Section 6388, whenever~~ *Whenever* a
16 new or remanufactured *truck, truck tractor, trailer, or semitrailer*
17 with an unladen weight of 6,000 pounds or more, ~~or a new or~~
18 ~~remanufactured trailer coach or a new or remanufactured auxiliary~~
19 ~~dolly, that has been manufactured or remanufactured outside this~~
20 state is purchased for use without this state and is delivered by the
21 manufacturer, remanufacturer, or dealer to the purchaser within
22 this state, and the purchaser drives or moves the vehicle to any
23 point outside this state within ~~30~~ 75 days from and after the date
24 of delivery, ~~or whenever a new or remanufactured trailer or~~
25 ~~semitrailer with an unladen weight of 6,000 pounds or more that~~
26 ~~has been manufactured or remanufactured in this state is purchased~~
27 ~~for use without this state and is delivered by the manufacturer,~~
28 ~~remanufacturer, or dealer to the purchaser within this state, and~~
29 ~~the purchaser drives or moves the vehicle to any point outside this~~
30 ~~state within 75 days from and after the date of delivery, there are~~
31 exempted from the taxes imposed by Part 1 (commencing with
32 Section 6001), Part 1.5 (commencing with Section 7200), and Part
33 1.6 (commencing with Section 7251) the gross receipts from the
34 sale of and the storage, use, or other consumption of the vehicle
35 within the state, if the purchaser or the purchaser's agent furnishes
36 the following to the manufacturer, remanufacturer, or dealer:

37 (a) (1) Written evidence of an out-of-state license and
38 registration for the vehicle *when required by another state or an*
39 ~~affidavit indicating that the registration is not required.~~

1 (2) In cases where the vehicle is subject to the permanent trailer
2 identification plate program under Section 5014.1 of the Vehicle
3 Code and is used exclusively in interstate or foreign commerce,
4 or both, written evidence of the purchaser's or lessee's United
5 States Department of Transportation number or Single State
6 Registration System filing may be substituted for the written
7 evidence described in paragraph (1).

8 (b) The purchaser's affidavit attesting that he or she purchased
9 the vehicle from a dealer at a specified location for use exclusively
10 outside this state, or exclusively in interstate or foreign commerce,
11 or both.

12 (c) The purchaser's affidavit that the vehicle has been moved
13 or driven to a point outside this state within the appropriate period
14 of either 30 days or 75 days of the date of the delivery of the
15 vehicle to him or her.

16 *SEC. 4. Notwithstanding Section 2230 of the Revenue and*
17 *Taxation Code, no appropriation is made by this act and the state*
18 *shall not reimburse any local agency for any sales and use tax*
19 *revenues lost by it under this act.*

20 *SEC. 5. This act provides for a tax levy within the meaning of*
21 *Article IV of the Constitution and shall go into immediate effect.*

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24 **All matter omitted in this version of the bill**
25 **appears in the bill as amended in the**
26 **Assembly, May 13, 2010. (JR11)**
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